GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

UNSTARRED QUESTION NO:2226
ANSWERED ON:05.03.2003
AGREEMENT WITH IRAN
A.P. JITHENDER REDDY;PRAKASH V. PATIL

Will the Minister of SHIPPING be pleased to state:

(a) whether India and Iran have signed an agreement for shipment of goods between Mumbai Port and Iranian Ports ;

(b) if so, the details thereof ; and

(c) the extent to which it would provide better and cost effective means of transportation and increased movement of cargo from Mumbai?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI DILIPKUMAR MANSUKHLAL GANDHI)

(a) No, Sir. However, an inter-governmental agreement on International `North South` Transport Corridoramongst the Government of Republic of India, Islamic republic of Iran and Russian Federation was signed on 12th Sept., 2000 which came into effect on 21st May, 2002. The North-South Transport Corridor is a new Multi-modal transport route linking India and Russia via Iran. The route connects the Mumbai Port on the West coast of India with the Iranian hub port of Bandar Abbas through sea transport.

(b) The provisions of this Agreement will regulate International Transport and transit of goods and passengers through the national territories of the parties to this agreement carried out by all modes of transport or through combined transport along the routes determined by the Competent Authorities of the respective parties. In case of India, the scope of the Agreement is limited to transportation of goods by sea route only.

(c) The new Multi-modal route with Iran acting as a transit link is considerably shorter than the traditional routes connecting India and Russia. It is estimated that thisnew link will help reduce the trade delivery time between India and Russia by around 10-12 days compared to the routes through the Mediterranean and the Suez Canal, which take around 35 days. It would also reduce operational costs by around 20%.